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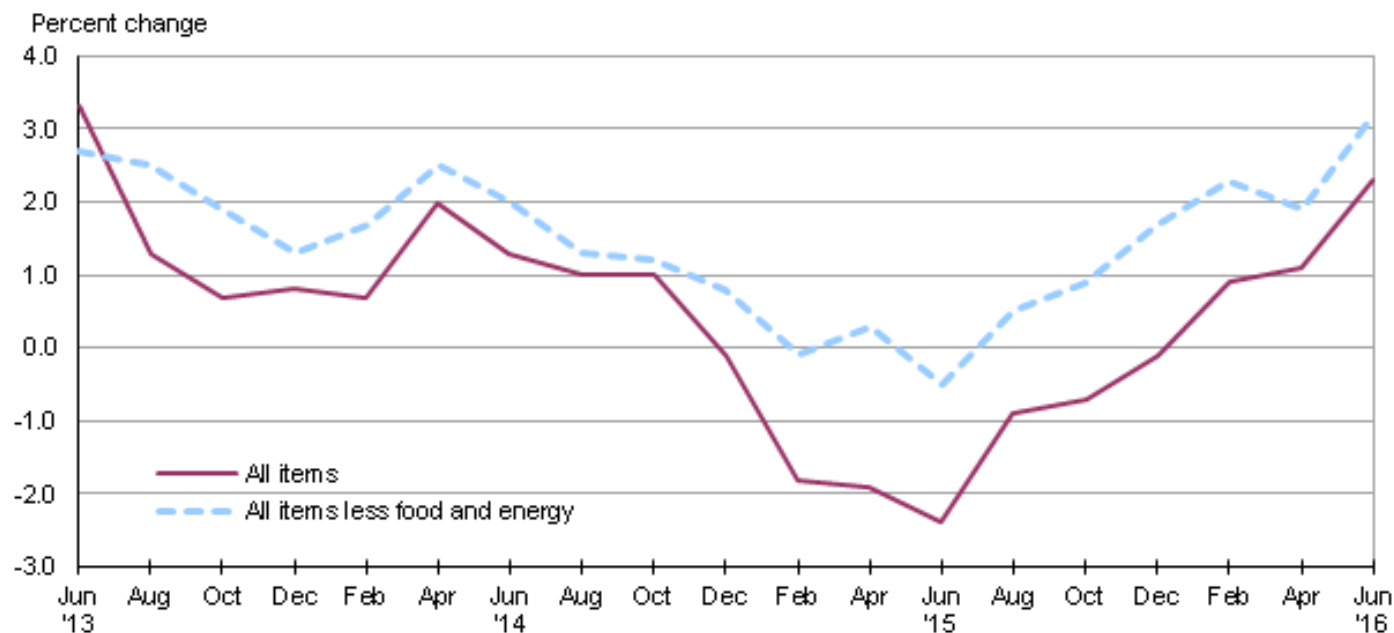
Consumer Price Index, Detroit-Ann Arbor-Flint — June 2016

Local prices up 2.3 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) in the Detroit-Ann Arbor-Flint area increased 1.2 percent from April to June, the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Charlene Peiffer noted that the energy index increased 11.9 percent, while the food index declined 0.9 percent over the bi-monthly period. The index for all items less food and energy increased 0.5 percent from April to June. Among the indexes within the all items less food and energy category, prices were higher for recreation and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the past 12 months, the Detroit all items CPI-U increased 2.3 percent. (See [chart 1](#) and [table A](#).) The energy index decreased 2.8 percent over the year primarily due to declines in gasoline prices. The index for all items less food and energy rose 3.2 percent over the year. (See [table 1](#).)

Chart 1. Over-the-year percent change in CPI-U, Detroit, June 2013–June 2016



Source: U.S. Bureau of Labor Statistics.

Food

Food prices fell 0.9 percent from April to June following a 0.4-percent increase over the previous bi-monthly period. Of the two components within the food index, prices for food at home (groceries) declined 0.6 percent, and prices for food away from home (restaurant, cafeteria, and vending purchases) decreased 1.3 percent.

Over the year, food prices in the Detroit area increased 1.0 percent. Grocery prices were 0.8 percent higher, and prices for food away from home rose 1.4 percent over the year.

Energy

The energy index for Detroit increased 11.9 percent from April to June. Prices rose for gasoline (24.4 percent), electricity (4.1 percent), and utility (piped) gas service (0.3 percent).

From June 2015 to June 2016, overall energy prices decreased 2.8 percent. Gasoline prices fell 6.4 percent, and utility (piped) gas service costs were 7.7 percent lower. In contrast, electricity costs rose 9.3 percent over the year.

All items less food and energy

The index for all items less food and energy increased 0.5 percent from April to June. Among the index's components, prices were higher for recreation (4.9 percent) and shelter (0.4 percent).

Over the year, the index for all items less food and energy rose 3.2 percent. Among the index's components, shelter (3.3 percent), recreation (7.3 percent), and medical care (4.7 percent) recorded increases.

Table A. Detroit CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2012		2013		2014		2015		2016	
	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month	2-month	12-month
February.....	0.6	3.9	1.1	1.9	1.1	0.7	-0.7	-1.8	0.3	0.9
April.....	0.6	2.1	0.0	1.3	1.3	2.0	1.2	-1.9	1.4	1.1
June.....	-0.8	0.4	1.2	3.3	0.5	1.3	0.0	-2.4	1.2	2.3
August.....	1.2	1.5	-0.7	1.3	-1.0	1.0	0.6	-0.9		
October.....	0.5	2.4	-0.1	0.7	-0.1	1.0	0.1	-0.7		
December.....	-0.7	1.4	-0.7	0.8	-1.8	-0.1	-1.2	-0.1		

The August 2016 Consumer Price Index for Detroit is scheduled to be released on Friday, September 16, 2016.

Technical Note

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total

population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force..

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note:Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The **Detroit-Ann Arbor-Flint, Mich.** consolidated area covered in this release is comprised of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne Counties in Michigan.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted)

Item and Group	Indexes			Percent change from-		
	Apr. 2016	May 2016	Jun. 2016	Jun. 2015	Apr. 2016	May 2016
Expenditure category						
All items.....	221.412	-	224.070	2.3	1.2	-
All items (1967=100).....	658.127	-	666.029	-	-	-
Food and beverages.....	223.593	-	221.584	1.1	-0.9	-
Food.....	223.387	-	221.332	1.0	-0.9	-
Food at home.....	213.514	214.238	212.142	0.8	-0.6	-1.0
Food away from home.....	238.998	-	235.789	1.4	-1.3	-
Alcoholic beverages.....	219.957	-	218.683	2.6	-0.6	-
Housing.....	204.272	-	205.190	2.8	0.4	-
Shelter.....	232.827	232.394	233.743	3.3	0.4	0.6
Rent of primary residence ⁽¹⁾	237.883	238.480	239.401	3.7	0.6	0.4
Owners' equiv. rent of residences ^{(1) (2)}	228.689	229.074	229.752	3.1	0.5	0.3
Owners' equiv. rent of primary residence ^{(1) (2)}	228.689	229.074	229.752	3.1	0.5	0.3
Fuels and utilities.....	232.772	-	237.012	2.4	1.8	-
Household energy.....	179.837	179.988	183.856	1.4	2.2	2.1
Energy services ⁽¹⁾	183.663	183.807	188.560	2.4	2.7	2.6
Electricity ⁽¹⁾	216.601	217.064	225.408	9.3	4.1	3.8
Utility (piped) gas service ⁽¹⁾	137.115	136.908	137.523	-7.7	0.3	0.4
Household furnishings and operations.....	116.840	-	115.555	-0.2	-1.1	-
Apparel.....	108.905	-	109.351	1.0	0.4	-
Transportation.....	224.157	-	234.835	-1.3	4.8	-
Private transportation.....	221.657	-	233.580	-1.6	5.4	-
Motor fuel.....	185.230	204.198	230.304	-6.6	24.3	12.8
Gasoline (all types).....	184.237	203.142	229.203	-6.4	24.4	12.8
Gasoline, unleaded regular ⁽³⁾	184.352	204.272	231.234	-7.4	25.4	13.2
Gasoline, unleaded midgrade ^{(3) (4)}	221.458	240.591	268.383	-4.2	21.2	11.6
Gasoline, unleaded premium ⁽³⁾	199.623	214.755	238.964	-0.7	19.7	11.3
Medical care.....	416.297	-	416.582	4.7	0.1	-
Recreation ⁽⁵⁾	116.459	-	122.117	7.3	4.9	-
Education and communication ⁽⁵⁾	148.628	-	147.371	2.0	-0.8	-
Other goods and services.....	401.908	-	402.672	2.0	0.2	-
Commodity and service group						
All items.....	221.412	-	224.070	2.3	1.2	-
Commodities.....	171.670	-	174.282	-0.3	1.5	-
Commodities less food & beverages.....	145.071	-	149.627	-1.5	3.1	-
Nondurables less food & beverages.....	167.662	-	178.893	-1.4	6.7	-
Durables.....	116.771	-	115.391	-0.9	-1.2	-
Services.....	272.491	-	275.247	4.0	1.0	-
Special aggregate indexes						
All items less medical care.....	213.558	-	216.344	2.1	1.3	-
All items less shelter.....	219.894	-	223.262	1.8	1.5	-
Commodities less food.....	147.806	-	152.225	-1.3	3.0	-
Nondurables.....	195.227	-	200.155	0.0	2.5	-
Nondurables less food.....	170.981	-	181.547	-1.0	6.2	-
Services less rent of shelter ⁽²⁾	328.821	-	333.839	4.6	1.5	-
Services less medical care services.....	262.930	-	265.815	3.9	1.1	-
Energy.....	186.156	194.621	208.394	-2.8	11.9	7.1

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Detroit-Ann Arbor-Flint, MI (1982-84=100 unless otherwise noted) - Continued

Item and Group	Indexes			Percent change from-		
	Apr. 2016	May 2016	Jun. 2016	Jun. 2015	Apr. 2016	May 2016
All items less energy.....	227.716	-	228.362	2.8	0.3	-
All items less food and energy.....	229.073	-	230.214	3.2	0.5	-

(1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

(2) Index is on a December 1982=100 base.

(3) Special index based on a substantially smaller sample.

(4) Indexes on a December 1993=100 base.

(5) Indexes on a December 1997=100 base.

- Data not available.

NOTE: Index applies to a month as a whole, not to any specific date.